(c) whether it is also a fact that because of the worst financial condition and natural calamities, Orissa is also not able to utilise fund from 1999-2000; and

(d) if so, what is the action plan of the Central Government to help these financially weak States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes, Sir. Due to implementation of the 5th Central Pay Commission's recommendations for its employees certain States including the State of Orissa, faced acute financial crunch and had resorted to diversion of specific purposes assistance received from the Government of India to overcome their liquidity problem. It is not possible to specify the quantum of diversion.

(d) Beside providing all feasible assistance to financially weaker States, Government of India pursuant to the recommendation of Eleventh Finance Commission, a scheme called Fiscal Reforms Facility 2000-05 has been created for incentivising the States to undertake Medium Term Fiscal Reforms Programmes (MTFRP).To this end an incentive fund of Rs. 10,607 crore has been earmarked to encourage all the States to implement the monitorable fiscal reforms programme. Additional amounts by way of additional open market borrowing etc. is also considered, if the State concerned has a structural adjustment burden necessitating voluntary retirement/severance payments for downsizing the PSEs.

Government of India has also formulated a debt Swap Scheme which aims at utilizing the current low interest rate regime to enable States to prepay expensive loans from Government of India in the past, with current low coupon bearing Small Savings and Open Market Loans.

Restructuring of loans of corporates

186. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some financial institutions and banks are rescheduling/restructuring the payment of loans by some corporates who have been involved in diversion of funds;

(b) if so, what are the names of the banks and financial institutions; and

(c) what are the names of the groups or corporate bodies who are involved in diversion of funds and are being helped in the above manner?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The Banks/Financial Institutions are restructuring the borrowal accounts based on their internal guidelines as well as the Corporate Debt Restructuring (CDR) mechanism of Reserve Bank of India (RBI).

(b) and (c) In accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, the information in respect of the constituents of the Public Financial Institutions and Banks cannot be divulged.

Recovery of NPAs

187. SHRI N.R. DASAFH:
SHRI V.V. RAGHAVAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the quantum of Non-Performing Assets (NPAs) of the nationalised banks have come down after the Securitisation and Acquisition of Assets Act has come into effect;

(b) if so, the details of NPAs of the nationalised banks as on 31st March, 2002; and 31st March, 2003; and

(c) the NPAs recovered and the amount written off during the year 2002-2003 by each of these banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The total Gross NPAs of the nationalised banks decreased by Rs. 1117 crore from Rs. 36763 crore to Rs. 35646 crore between March, 31, 2002 and March 31, 2003 (Provisional).

(c) The bank-wise details of amount of NPAs written-off and NPAs recovered in the year 2002-2003 given in the enclosed Statement.